



University  
of Houston  
Clear Lake

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Business  
Operations

**Accounts Payable**

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## INTRO

The Business Operations unit provides an array of support services for efficiently processing payments and reimbursements for university-related goods, services, travel and other expenses.

As a business operations team, we are focused on the following themes:

- **Compliance** - with University, local, state and federal policies and laws
- **Enforcement** - of University and system policies and procedures
- **Training** - we offer periodic and/or customized training to bolster end-user understanding
- **Timeliness** - we pay bills daily, based on date the invoice was received—see below
- **Customer service** - we offer acknowledgement of customer questions within 24 hours
- **Technology** - we use electronic ACH payments for vendors and employee reimbursements

We will ask for your feedback... and hear you:

- **Annual surveys**—yes, this will be a new activity!

## PAYMENTS

All Department Assistants and Department and College Business Administrators have access to Payment Works and can initiate invitations to vendors, candidates, etc.

## TEXAS PROMPT PAY LAW

The state's prompt pay law requires most vendor payments paid with state appropriated funds that exceed \$5,000 to be sent by the 30th calendar day after the latest of the following:

- a. The day the university **received the goods**;
- b. The day the vendor **completed performing** its services; or
- c. The day the university **received a correct invoice** for the goods and services.

If the university does not mail or electronically transmit a payment to a vendor or the vendor's financial institution by the applicable due date, then the university is liable to the vendor for **interest** in compliance with the following provision:

- a. Beginning on the day after the payment is due, interest accrues on the unpaid balance at the rate specified by the State Comptroller's Office. The interest ceases to accrue on the date the university mails or electronically transmits the payment to the vendor or the vendor's financial institution.
- b. When payment is made with state-appropriated funds, late interest accrued of \$0.01 or more must be paid. When payment is made with local funds, late interest accrued of \$5.01 or more must be paid.



**If a department does not date stamp the invoice as soon as it is received, we must use the invoice date instead and thus may incur interest.**

**PLEASE DATE STAMP INVOICES!!**

## PURCHASE ORDERS

### What is a Purchase Order (PO)?

- A PO is a legally binding document that details your purchase details for the vendor/supplier.
- The vendor/supplier fulfills the order and then sends an invoice/bill for payment to our accounts payable department. It is transaction based for *goods*.

### When are Purchase Orders used?

- Any goods purchased for >\$5000 require a purchase order.

### HUB vendors must be used for all POs.

- Historically Underutilized Businesses  
Contact Deb Carpenter for additional information:  
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281-283-2152

For more info, visit [mycpa.cpa.state.tx.us/tpasscmlsearch](http://mycpa.cpa.state.tx.us/tpasscmlsearch).

## VOUCHERS

### What is a voucher and why do we use it?

- A voucher is an electronic request for reimbursement. Your Department Assistant initiates it.
  - If that role is vacant, then your College or Department Business Administrator will initiate it.
- It is a support for audit and financial review; a standard, documented history of the transaction.
  - It must show who, what, when, where and why for the voucher transaction. Receipts are required.

## CONTRACTS

- A contract is a legal agreement for *services*.
- Accounts payable pays for these services in the same way they pay for goods. The only difference is that contract payments start with a "C" to distinguish them as such.

## P-CARDS

### What is a P-Card and when do we use it?

- A P-Card enables decentralized, speedy purchasing for items up to \$5000.
- For any purchase >\$500 the buyer **MUST** ensure and prove that the seller/vendor is NOT on hold with the State of Texas.
  - [fmcpa.cpa.state.tx.us/tpis](http://fmcpa.cpa.state.tx.us/tpis)
- Departments must reconcile their card use monthly, usually between the 4th and 18th.
  - See Reporting Cycle Calendar.
- They must advise accounts payable (AP) when they have completed this step.
- Then Accounts Payable audits each card, monthly.
- Accounts Payable posts/pays the P-Card by the 25th of the month.

## EXCEPTIONS

Business Operations tracks ALL exceptions to the payables process. End users who request repeated exception approvals may lose purchasing privileges.

## TRAVEL

Business Operations is working on a revised travel process and will publish that material under separate cover.

## REPORTING CALENDAR

### 2022 P-Card Reporting Cycle Calendar

| Reporting Cycle<br>()=(FYmonth) | Transaction<br>Posting<br>"FROM" Date | Transaction<br>Posting<br>"TO" Date | Departmental Reallocation<br>Due Date | Accounts Payable<br>Audit/Processing<br>Due Date | University Bill Pay<br>Due Date |
|---------------------------------|---------------------------------------|-------------------------------------|---------------------------------------|--|---------------------------------|
| Jan. 2022 (05)                  | 12/4/2021                             | 1/3/2021                            | 4 pm on Thursday, Jan. 13, 2022       | Monday, Jan. 24, 2022                            | Thursday, Jan. 27, 2022         |
| Feb. 2022 (06)                  | 1/4/2022                              | 2/3/2022                            | 4 pm on Monday, Feb. 14, 2022         | Tuesday, Feb. 22, 2022                           | Friday, Feb. 25, 2022           |
| March 2022 (07)                 | 2/4/2022                              | 3/3/2022                            | 4 pm on Monday, March 14, 2022        | Thursday, March 24, 2022                         | Friday, March 25, 2022          |
| April 2022 (08)                 | 3/4/2022                              | 4/3/2022                            | 4 pm on Wednesday, April 13, 2022     | Friday, April 22, 2022                           | Tuesday, April 26, 2022         |
| May 2022 (09)                   | 4/4/2022                              | 5/3/2022                            | 4 pm on Friday, May 13, 2022          | Monday, May 23, 2022                             | Wednesday, May 25, 2022         |
| June 2022 (10)                  | 5/4/2022                              | 6/3/2022                            | 4 pm on Monday, June 13, 2022         | Tuesday, June 21, 2022                           | Friday, June 24, 2022           |
| July 2022 (11)                  | 6/4/2022                              | 7/3/2022                            | 4 pm on Wednesday, July 13, 2022      | Friday, July 22, 2022                            | Tuesday, July 26, 2022          |
| Aug. 2022 (12)                  | 7/4/2022                              | 8/3/2022                            | 4 pm on Friday, Aug. 12, 2022         | Monday, August 22, 2022                          | Thursday, August 25, 2022       |
| Sept. 2022 (01)                 | 8/4/2022                              | 9/3/2022                            | 4 pm on Friday, Sept. 9, 2022         | Wednesday, Sept. 14, 2022                        | Thursday, Sept. 15, 2022        |
| Oct. 2022 (02)                  | 9/4/2022                              | 10/3/2022                           | 4 pm on Thursday, Oct. 13, 2022       | Thursday, Oct. 20, 2022                          | Tuesday, Oct. 25, 2022          |
| Nov. 2022 (03)                  | 10/4/2022                             | 11/3/2022                           | 4 pm on Thursday, Nov. 10, 2022       | Thursday, Nov. 17, 2022                          | Tuesday, Nov. 22, 2022          |
| Dec. 2022 (04)                  | 11/4/2022                             | 12/3/2022                           | 4 pm on Tuesday, Dec. 13, 2022        | Tuesday, Dec. 20, 2022                           | Thursday, Dec. 22, 2022         |

*Note: September deadlines are subject to change based on UH End of Year Calendar Timeline.*

*Reporting cycles end on the 3rd of each month. However, Expense Reports should never be run before the 5th of the month.*